VZCZCXRO3846

RR RUEHAG RUEHAST RUEHDA RUEHDBU RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA
RUEHLN RUEHLZ RUEHROV RUEHSR RUEHVK RUEHYG

DE RUEHVJ #3254/01 3601442

ZNR UUUUU ZZH
R 261442Z DEC 06

FM AMEMBASSY SARAJEVO
TO RUEHC/SECSTATE WASHDC 5121
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RHEHNSC/NSC WASHDC

UNCLAS SECTION 01 OF 02 SARAJEVO 003254

SIPDIS

SENSITIVE SIPDIS

E.O. 12958: N/A TAGS: <u>PGOV</u> <u>PREL</u> <u>BK</u>

RUFOAOA/USNIC SARAJEVO

SUBJECT: SDS MOVES TO THE RIGHT

Summary

11. (SBU) Serb Democratic Party (SDS) internal elections held December 16 reveal a party divided, with new leadership rethinking the party's support for constitutional reform in Bosnia and Herzegovina. Mladen Bosic, former Deputy President of SDS and the party's failed 2006 state presidency candidate, was elected President of the party with a narrow majority. Bosic has called for democratization of SDS, as well as a new party platform and bylaws, and party elections at all levels by the end of May 2007. In addition to the possible withdrawal of support for key reforms, leadership changes in SDS could contribute to a radicalization of the political climate in both the Republika Srpska (RS) and Bosnia as a whole, and could lead to an attempt by SDS hardliners to reassert control of the party. END SUMMARY.

SDS ACCEPTS RESIGNATION OF CAVIC, ELECTS BOSIC PRESIDENT

- 12. (SBU) In a Main Board session December 15 and a Party Assembly December 16, SDS formally accepted the resignation of its President, Dragan Cavic, and narrowly elected Mladen Bosic to head the party for the next six months. Bosic defeated his opponent, East Sarajevo Mayor Radomir Kezunovic, widely seen as a representative of the Cavic camp, by a tally of 190 to 108. While he defeated Kezunovic by a fairly wide margin, Bosic won the necessary simple majority of all delegates present by only 14 votes.
- 13. (SBU) In addition to serving most recently as SDS Deputy President, Bosic was SDS candidate for Serb member of the state Presidency in October 2006 elections. Bosic previously served as Bosnian Ambassador to Slovenia and, while Deputy President of SDS, he represented the party at technical talks on constitutional reform led by USIP. Bosic currently serves as the director of Telekom Srpske in Brcko and is a member of the Brcko Assembly.

BOSIC PLANS "DEMOCRATIZATION" AND REVIEW OF PARTY POLICY

14. (SBU) Both publicly and in a meeting with emboff Bosic highlighted his goals for his short term as president; democratization and decentralization of the party. Bosic said that in order to consolidate SDS following its 2006 electoral losses, he will encourage the passage of new party bylaws by the end of February 2007. Based on these new procedures elections will be held at all level within the party, starting at the municipal and regional level, and ending with elections for Main Board, Presidency and President and the formation of a new party platform by late May.

- 15. (SBU) When asked what a new platform for SDS would mean, Bosic told emboff that he did not intend to radicalize SDS, but that he would reestablish the SDS claim to the right-center of the RS political spectrum, a position which he said RS Premier Milorad Dodik had successfully usurped in the 2006 campaign. On current reform initiatives, such as police and constitutional reforms, Bosic did not rule out support but said that SDS would not participate in these processes "as a satellite of Dodik." On police reform, resolutions passed by the RS National Assembly (RSNA) would be the party's guide, Bosic said, promising SDS opposition to any police reform document that went beyond this framework.
- 16. (SBU) On constitutional reform, Bosic said that while the SDS Main Board had supported the March package of constitutional reforms and SDS MPs had voted in favor of its passage, the defeat of this package in the state House of Representatives meant that this package was dead. Should the package be reintroduced in the House of Representatives, Bosic said that parties would have to debate the package again under new political circumstances. Bosic did not rule out eventual SDS support for a return to the March package, but reiterated on several occasions that SDS would not take such a position without the explicit support of both party leadership and its base.

OPPOSITION IN THE OPPOSITION

17. (SBU) Bosic,s narrow majority is not the sole factor suggesting persistent divisions within the SDS following this leadership struggle. One leading SDS office holder, SDS state House of Representatives MP Momcilo Novakovic, has publicly opposed Bosic,s plan to reevaluate support for the

SARAJEVO 00003254 002 OF 002

March package. In a statement in the daily Euro Blic, Novakovic announced his resignation as leader of the SDS Caucus in the state House of Representatives because he said he could not accept the party's decision to revisit support of the package. According to Novakovic, there will never be a better package of constitutional reforms for the RS.

AFTER BOSIC...

18. (SBU) Many, especially those supporting former SDS President Dragan Cavic, contend that the current leadership struggle is merely beginning. They have stated that the move to sack Cavic and replace him with Bosic represents an effort by old guard SDS voices, including figures removed by OHR like Dragan Kalinic, to reassert their position in the party. While there have been no public efforts by such figures to assert control of the party, many observers, both inside and outside of SDS, have asked whether or not individuals like Kalinic will be automatically rehabilitated following the expected departure of OHR in mid-2007.

COMMENT

19. (SBU) Few feel that the election of Mladen Bosic is the end of the leadership struggle in SDS, and continued division, or even the formation of a rival party, can not be excluded. While SDS currently holds very few levers of power at the state or entity levels, the outcome of this struggle is not without import for both RS and state-level politics. SDS is likely to withhold its support for police and constitutional reforms, making their adoption more of a political risk for RS Premier Milorad Dodik. Moreover, if SDS chooses to adopt more nationalist rhetoric, this could force the policies, not just the campaigning, of the Dodik government to the right. Finally, attempts by nationalists like Dragan Kalinic to reassert control over SDS, either

directly or indirectly, could be one of the first challenges Bosnia faces following the departure of OHR. End Comment. ${\tt CEFKIN}$